

## **VII. SAMPLE LOAN ENROLLMENT APPLICATIONS, CERTIFICATIONS & FORMS**

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Samples of forms required by CalCAP are provided in this Chapter for quick reference. Lenders should refer to the CalCAP SB website to download the most current forms:

 <http://www.treasurer.ca.gov/cpcf/cap/sb/index.asp>

CalCAP Use Only	CalCAP Loan #
	Date Received

### CalCAP LOAN ENROLLMENT APPLICATION

#### Lender Information

Participating Lender \_\_\_\_\_ Lender ID# \_\_\_\_\_  
Loan Officer Name \_\_\_\_\_ Phone \_\_\_\_\_  
Loan Officer Email \_\_\_\_\_

#### Borrower Information

Name \_\_\_\_\_ DBA \_\_\_\_\_  
Address \_\_\_\_\_ City \_\_\_\_\_ County \_\_\_\_\_ Zip \_\_\_\_\_  
Type of Business/Activities \_\_\_\_\_ What year was the business incorporated or opened? \_\_\_\_\_  
Annual Revenues Last Fiscal Year \$ \_\_\_\_\_ Average Annual Revenue Last 3 Years \$ \_\_\_\_\_  
Number of Employees \_\_\_\_\_ Number of Full Time Equivalents \_\_\_\_\_ Jobs created \_\_\_\_\_ Jobs retained \_\_\_\_\_  
Is business located in a Severely Affected Community? ☐ Yes ☐ No  
Will loan monies be used at above address? ☐ Yes ☐ No If no, location where loan will be used:  
Address \_\_\_\_\_ City \_\_\_\_\_ County \_\_\_\_\_ Zip \_\_\_\_\_  
NAICS Code \_\_\_\_\_ <http://www.census.gov/eos/www/naics/> Census Tract # \_\_\_\_\_ <http://www.fdic.gov/Geocode/default.aspx>  
Purpose of Loan \_\_\_\_\_  
Is business minority owned? ☐ Yes ☐ No ☐ Decline to Answer Is business woman owned? ☐ Yes ☐ No ☐ Decline to Answer  
Is business veteran owned? ☐ Yes ☐ No ☐ Decline to Answer

#### Loan Information

Is this loan enrolled in any other government guarantee program? ☐ Yes ☐ No If Yes, name the program: \_\_\_\_\_  
What percent of loan is enrolled in other program? \_\_\_\_\_% What percentage of loan is being enrolled in CalCAP? \_\_\_\_\_%  
Lender Loan Number \_\_\_\_\_ Type of Loan: ☐ Line of Credit ☐ Term Loan  
Total Loan Amount \$ \_\_\_\_\_ Loan Amount Enrolled in CalCAP \$ \_\_\_\_\_  
Date of First Disbursement (Date of Loan) \_\_\_\_\_ Maturity Date \_\_\_\_\_  
Interest Rate \_\_\_\_\_% ☐ Fixed ☐ Variable Is the loan secured? ☐ Yes ☐ No  
Is this loan a restructure of a prior CalCAP Loan? ☐ Yes ☐ No If Yes, provide the CalCAP Loan # \_\_\_\_\_  
Remaining balance on loan being restructured: \$ \_\_\_\_\_ Amount of increase requested: \$ \_\_\_\_\_  
Borrower Premium \$ \_\_\_\_\_ % Lender Premium \$ \_\_\_\_\_ %  
Is an Independent Contributor being used to pay the premiums? ☐ Yes ☐ No If yes, Name of Contributor Program \_\_\_\_\_

Borrower Name \_\_\_\_\_

Lender Loan Number \_\_\_\_\_

By enrolling this loan the Participating Financial Institution certifies, based in part on information provided by the Borrower (please initial each item):  
\* all capitalized terms are defined in 4 CCR §8070 of the California Code of Regulations.

- \_\_\_\_\_ The loan is a Qualified Loan as defined in 4 CCR §8070(i) of the California Code of Regulations.
- \_\_\_\_\_ The business receiving the Qualified Loan is a Qualified Business, as defined in 4 CCR §8070(i) or 4 CCR §8078.2(c) of the California Code of Regulations.
- \_\_\_\_\_ The Qualified Loan is for a business activity that has its Primary Economic Effect in California as defined in 4 CCR §8070(e) of the CPCFA Regulations.
- \_\_\_\_\_ The Participating Financial Institution will provide information from financial records of the Borrower upon request of the Executive Director of the CPCFA, and the Participating Financial Institution has obtained the consent of the Borrower to such disclosure.
- \_\_\_\_\_ The Participating Financial Institution has obtained a written representation from the Borrower that the Borrower has no legal, beneficial or equitable interest in the Fees or the Matching Contribution.
- \_\_\_\_\_ The enrolled amount of the loan does not exceed \$2,500,000.
- \_\_\_\_\_ The Participating Financial Institution has notified the Borrower if the Participating Financial Institution's share of the Fees for the Qualified Loan has been paid by the Borrower.
- \_\_\_\_\_ The Participating Financial Institution has obtained a written representation from the Borrower that it has secured or made application for all applicable licenses or permits needed to conduct its business.
- \_\_\_\_\_ The Participating Financial Institution has not, and will not, enroll the same loan or portion thereof in any other government program substantially similar to the Program.
- \_\_\_\_\_ The Borrower has received the CPCFA/CalCAP Privacy Notice.
- For participation in the Federal fund, the Participating Financial Institution must obtain the following assurances from the Borrower per 4 CCR §8078.2 of the California Code of Regulations:
- \_\_\_\_\_ The loan is used for a business purpose allowed by the U.S. Treasury.
- \_\_\_\_\_ The loan will not be used for purposes prohibited by the U.S. Treasury.
- \_\_\_\_\_ The loan will not be used to finance ineligible businesses prohibited by the U.S. Treasury.
- For participation in the Federal fund, the Lender hereby certifies to the State the following:
- \_\_\_\_\_ The loan has not been made in order to place under the protection of the state program prior debt that is not covered under the state program and that is or was owed by the borrower to the lender or to an affiliate of the lender.
- \_\_\_\_\_ The loan is not a refinancing of a loan previously made to that borrower by the lender or an affiliate of the lender.
- \_\_\_\_\_ The lender is not attempting to enroll the unguaranteed portions of SBA-guaranteed loans.
- \_\_\_\_\_ As required by Section 3011(c)(2) of the Small Business Jobs Act of 2010, the private entity hereby certifies to the State that the Principals of the private entity have not been convicted of a sex offense against a minor (as such terms are defined in section 111 of the Sex Offender Registration and Notification Act (42 U.S.C. 16911)). For the purposes of this Certification, Principal means the following: if a sole proprietorship, the proprietor; if a partnership, each managing partner and each partner who is a natural person and holds a 20% or more ownership interest in the partnership; and if a corporation, limited liability company, association or a development company, each director, each of the five most highly compensated executives or officers of the entity, and each natural person who is a direct or indirect holder of 20% or more of the ownership stock or stock equivalent of the entity.
- The Participating Financial Institution acknowledges that its lending activities are subject to safety and soundness standards as set forth in any applicable federal banking regulations.

Authorized Lender Signature		Title	Date
California Pollution Control Financing Authority Use Only			
CalCAP Loan Number	Analyst's Initials	Date	Reviewer's Initials
_____ FUND _____ %	_____ FUND _____ %	_____ FUND _____ %	_____ FUND _____ %
Contribution Amount \$	Contribution Amount \$	Contribution Amount \$	Date:
Authorized Signature			

When complete, please send to: [CalCAP@treasurer.ca.gov](mailto:CalCAP@treasurer.ca.gov) or by fax (916) 589-2805

Revised April 5, 2012

## 2. CalCAP Small Business Borrower Agreement to Pay Lender Fees

CALIFORNIA CAPITAL ACCESS PROGRAM  
California Pollution Control Financing Authority  
[CalCAP@treasurer.ca.gov](mailto:CalCAP@treasurer.ca.gov)

915 Capitol Mall, Room 457  
Sacramento, CA 95814  
Fax (916) 389-2805

### CalCAP BORROWER'S AGREEMENT TO PAY LENDER'S FEES

Lender Loan # _____	Total amount enrolled in CalCAP or advance for this transaction _____
Lender Premium \$ _____ % _____	<b>*Note: The Lender and Borrower Premiums must match.</b>
Borrower Premium \$ _____ % _____	
Total Premium Contribution to be paid to CalCAP \$ _____ % _____	
<b>Total Premium Contribution to be paid by the Borrower</b> \$ _____ % _____	

Pursuant to 4 CCR §8072(c)(22), the Borrower hereby acknowledges and agrees to pay all or a portion of the total CalCAP premium contribution to include their premium, as well as, all or a portion of the Lender's premium for the aforementioned loan.

\_\_\_\_\_  
Borrower's Name

\_\_\_\_\_  
Business Name

\_\_\_\_\_  
Borrower Signature

\_\_\_\_\_  
Date

Please submit with Loan Enrollment Application to [CalCAP@treasurer.ca.gov](mailto:CalCAP@treasurer.ca.gov)

Revised April 17, 2012



## BORROWER CERTIFICATION FOR SMALL BUSINESS LOAN ENROLLMENTS

Your loan is being enrolled in the California Capital Access Program (CalCAP). You are the "Borrower". By signing this document below, you certify to the following:

- Borrower is a small business concern as defined in 4 CCR §8070(i) of the California Code of Regulations which state:  
(r) "Qualified Business" and "Small Business Concern" means a business as set forth in Health and Safety Code Section 44559.1 subdivision (i) and (m), that is not dominant in its field of operation, and that together with affiliates, has 500 or fewer employees. " (i) "Qualified business" means a small business concern that meets both of the following criteria, regardless of whether the small business concern has operations that affect the environment:  
(1) It is a corporation, partnership, cooperative, or other entity, whether that entity is a nonprofit entity or an entity established for profit that is authorized to conduct business in the state.  
(2) It has its primary business location within the boundaries of the state.  
(m) "Small business concern" has the same meaning as in Section 632 of Title 15 of the United States Code, or as otherwise provided in regulations of the authority.
- "Primary business location in California" as defined in 4 CCR §8070(n) of the California Code of Regulations means that a business will be deemed to be located in California if either:  
(1) a majority of the employees of the business are located in California; or  
(2) the Executive Director determines that the Primary business location is in California by finding that the average of the "Payroll Factor" as defined in Revenue and Taxation Code Section 25132, the "Income Factor" as defined in Revenue and Taxation Code Section 25128, and the "Sales Factor" as defined in Revenue and Taxation Code Section 25134 is greater than 50 percent.
- Borrower obtained a loan that is for a business activity that has its primary economic effect in California as defined in 4 CCR §8070(o) of the California Code of Regulations which state:  
(a) "Primary economic effect in California" means, as applied to a business activity, that either of the following conditions exists:  
At least 51 percent of the total revenues of the business activity are generated in California; or  
At least 51 percent of the total jobs of the business activity are created or retained in California.
- Borrower agrees to allow the participating financial institution to provide information from financial records of the Borrower upon request of the Executive Director of the CPCFA.
- Borrower has no legal, beneficial or equitable, interest in the fees or the matching contribution.
- The maximum loan amount is \$5,000,000 and the Borrower is limited to a maximum of \$2,500,000 enrolled over a 3 year period.
- Borrower was notified, in writing, if the participating financial institution's share of the fees for the qualified loan were paid by the Borrower.
- Borrower has secured or made application for all applicable licenses or permits needed to conduct its business.
- Borrower has received the CPCFA/CalCAP Privacy Notice.

Whenever your loan is related to Federal Funds, the following Borrower assurances apply:

The loan proceeds will be used for a "business purpose." Business purpose includes, but is not limited to, start up costs, working capital, business procurement, franchise fees, equipment, inventory, as well as the purchase, construction, renovation or tenant improvements of an eligible place of business that is not for passive real estate investment purposes. The definition of business purpose excludes: activities that relate to acquiring or holding passive investments, such as commercial real estate ownership and the purchase of securities; and lobbying activities, as defined in Section 3(7) of the Lobbying Disclosure Act of 1995, P.L. 104-65, as amended.

The loan proceeds will not be used to:

- Repay a delinquent federal or state income taxes unless the Borrower has a payment plan in place with the relevant taxing authority.

- Repay taxes held in trust or escrow, e.g. payroll or sales taxes.
- Reimburse funds owed to any owner, including any equity injection or injection of capital for the business' continuance.
- Purchase any portion of the ownership interest of any owner of the business.

**Borrower is not:**

- An executive officer, director, or principal shareholder of the lender.
- A member of the immediate family of an executive officer, director, or principal shareholder of the lenders.
- A related interest of an executive officer, director, principal shareholder, or member of the immediate family.

For the purposes of these three restrictions, the terms "executive officer", "director", "principal shareholder", "immediate family", and "related interest" refer to the same relationship to a lender as the relationship described in part 215 of title 12 of the Code of Federal Regulations, or any successor to such part.

**The borrower is not:**

- A business engaged in speculative activities that develop profits from fluctuations in price rather than through normal course of trade, such as wildcatting for oil and dealing in commodities futures, unless those activities are incidental to the regular activities of the business and part of a legitimate risk management strategy to guard against price fluctuations related to the regular activities of the business.
- A business that earns more than half of its annual net revenue from lending activities; unless the business is a non-bank or non-bank holding company Community Development Financial Institutions.
- A business engaged in pyramid sales, where a participant's primary incentive is based on the sales made by an ever-increasing number of participants.
- A business engaged in activities that are prohibited by federal law or applicable law in the jurisdiction where the business is located or conducted. (Included in these activities is the production, servicing, or distribution of otherwise legal products that are to be used in connection with an illegal activity, such as selling drug paraphernalia or operating a motel that knowingly permits illegal prostitution).
- A business engaged in gambling enterprises, unless the business earns less than 33% of its annual net revenue from lottery sales.

As required by Section 3011(c)(2) of the Small Business Jobs Act of 2010, the private entity hereby certifies to the participating State that the Principals of the private entity have not been convicted of a sex offense against a minor (as such terms are defined in section 111 of the Sex Offender Registration and Notification Act (42 U.S.C. 16911)). For the purposes of this Certification, Principal means the following: if a sole proprietorship, the proprietor; if a partnership, each managing partner and each partner who is a natural person and holds a 20% or more ownership interest in the partnership; and if a corporation, limited liability company, association or a development company, each director, each of the five most highly compensated executives or officers of the entity, and each natural person who is a direct or indirect holder of 20% or more of the ownership stock or stock equivalent of the entity.

**Business Name** (please print)

**Individual Name** (please print)

**Signature of above Individual**

**Lender Loan #**

**Individual Title** (as it pertains to the business)

**Date**



Department of Resources Recycling and Recovery (CalRecycle)  
1001 I Street, Attn: RMDZ Loan Program, Mail-stop #9, Sacramento, CA 95814

**BORROWER PROJECT ELIGIBILITY CRITERIA AND CERTIFICATION FORM**  
**(Revised May 2012)**

The undersigned Borrower hereby applies for CalRecycle funds to pay the borrower's and lender's premium for participation in the California Pollution Control Financing Authority (CPCFA) California Capital Access Program (CalCAP). The lender will submit this form with the standard CalCAP Loan Enrollment Form to CPCFA. For assistance, see CalRecycle contact information below.

**Eligible Applicants and Projects\*:**  
**(Check an appropriate box)**

- ☐ **SOURCE REDUCTION:** Applicant is a business that practices, or proposes to practice, appropriate source reduction by performing specific actions that cause a material net reduction in the generation of solid waste in the production of a product.
- ☐ **REUSE:** Applicant is a business that reuses a product (not a material) which has served its useful life, and provides new value to the product, by reconditioning, reprocessing, or some other value-added process which makes the product usable again for its original intended purpose. In all cases, the project must demonstrate that it will have a reduction in the amount of material being disposed of in California's landfills.
- ☐ **RECYCLING:** Applicant is a business that recycles by using post-consumer or secondary materials to produce a value-added finished product or provides necessary intermediate processing of a recycled/recovered material. A value-added product is one in which a material has changed its character or composition through a manufacturing process. This differs from collecting, sorting, and baling of recycled/recovered material for convenience or ease of transportation.

The full project criteria and examples may be viewed on the CalRecycle website at:  
[www.CalRecycle.ca.gov/rmdz/loans](http://www.CalRecycle.ca.gov/rmdz/loans)

Corporations and limited liability companies must be duly authorized to do business in California and properly registered with the Secretary of State (SOS). The SOS website is <http://kepler.sos.ca.gov/>

In all cases, the borrower agrees to annually submit documentation, upon request of CalRecycle, to verify annual diversion of solid non-hazardous waste from California's landfills.

\*The materials and or products that are source reduced, reused, or recycled exclude metals, electronic waste, and hazardous waste.

\_\_\_\_\_  
(Business Name)

\_\_\_\_\_  
(Website)

\_\_\_\_\_  
Proposed Loan Amount

\_\_\_\_\_  
Borrower's Premium

\_\_\_\_\_  
Lender's Premium

\_\_\_\_\_  
(Borrower's Signature and Title)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Business Address)

\_\_\_\_\_  
(Phone Number)

**CalRecycle Approval:**

CalRecycle approves paying the borrower's and lender's premiums to participate in CalCAP.

By: \_\_\_\_\_  
(Signature) (Date)

- ☐ Tim Brannan, Loan Officer  
Email: [Tim.Brannan@CalRecycle.ca.gov](mailto:Tim.Brannan@CalRecycle.ca.gov)  
Phone: (916) 341-6408  
Fax: (916) 319-7549
- ☐ Shirley Hom, Loan Officer  
Email: [Shirley.Hom@CalRecycle.ca.gov](mailto:Shirley.Hom@CalRecycle.ca.gov)  
Phone: (916) 341-6227  
Fax: (916) 319-7362
- ☐ Govindan Viswanathan, Loan Officer  
Email: [Govindan.Viswanathan@CalRecycle.ca.gov](mailto:Govindan.Viswanathan@CalRecycle.ca.gov)  
Phone: (916) 341-6536  
Fax: (916) 319-7523
- ☐ Jim La Tanner, Supervisor  
Email: [Jim.LaTanner@CalRecycle.ca.gov](mailto:Jim.LaTanner@CalRecycle.ca.gov)  
Phone: (916) 341-6497  
Fax: (916) 319-7665



STATE OF CALIFORNIA

CALIFORNIA POLLUTION CONTROL

FINANCING AUTHORITY

915 Capitol Mall, Room 457

Sacramento, CA 95814

Telephone: (916) 654-5610

Telecopier: (916) 657-4821



### Privacy Notice

The California Information Practices Act of 1977 (Civil Code §1798.17) requires that this notice be provided when a governmental agency collects the personal information of individuals. Name, address, telephone number, gender, race, business and financial information related to this loan is requested by the California Capital Access Program (CalCAP) of the California Pollution Control Financing Authority for the purposes of statistical reporting on loan activities and assessing compliance with CalCAP program requirements. It is mandatory for the lender to provide this information to CalCAP. Failure to provide the information may result in rejection of the application.

The information may be disclosed under the following circumstances: (1) to consultants, auditors or contractors retained by the California Pollution Control Financing Authority where disclosure is required to fulfill CalCAP program requirements; (2) to another governmental entity where required by state or federal law; or (3) as otherwise required by law.

The agency official responsible for the maintenance of the personal information is the CalCAP Program Manager, at 915 Capitol Mall, Suite 457, Sacramento, CA 95814, Tel: (916) 654-5610. California Code of Regulations §8072 authorizes the solicitation and maintenance of the personal information requested. Borrowers have the right to access their information upon request by contacting the CalCAP Program Manager.

*Copy to Borrower: DO NOT Submit to CalCAP*

*Revised April 6, 2012*

**CalCAP FINANCIAL INSTITUTION CLAIM APPLICATION**

NOTE: A lender is required to notify the Authority within 120 days of when the lender has charged off all or part of a qualified loan as a result of default by a borrower. If the form is filled out properly and the lender has faithfully complied with CalCAP requirements, CPCFA will authorize the Program trustee to reimburse the lender from the lender's loss reserve account within 30 business days.

**Lender and Borrower Information**

Participating Lender: \_\_\_\_\_ Lender's CalCAP ID #: \_\_\_\_\_  
Lender Contact: Name: \_\_\_\_\_ CalCAP Loan Number: \_\_\_\_\_  
Phone: \_\_\_\_\_ Borrower's Name: \_\_\_\_\_  
Address: \_\_\_\_\_ Borrower DBA: \_\_\_\_\_  
\_\_\_\_\_

**Loan Information**

Original Principal Amount of Loan: \_\_\_\_\_ Date of Loan: \_\_\_\_\_  
Default Amount: \_\_\_\_\_ Date of Default: \_\_\_\_\_  
Is this loan secured? ☐ Yes ☐ No Date of Charge-off: \_\_\_\_\_  
If yes, what form of security: \_\_\_\_\_

Was the loan in the first \$1 million of CalCAP loans made by lender? ☐ Yes ☐ No

Have enforcement proceedings begun? ☐ Yes ☐ No

Lender's priority of claim (If two or more claims filed by lender): \_\_\_\_\_

**Claim Information**

Outstanding Principal	\$ _____
Accrued and Unpaid Interest	\$ _____
Out-of-pocket expenses (Attach detailed explanation)	\$ _____
Total	\$ _____

**Please attach loan history report.**

- The lender warrants this claim is being filed within 120 days of the loan being charged off and that charge-off was consistent with the lender's usual methods for taking action on loans not enrolled in the Program.
- Lender will, as CPCFA's agent, pursue additional recovery on this defaulted loan through legal proceedings, seizure and liquidation of collateral, guarantees, and/or other sources.
- Lender certifies it has given notice to the Authority of the initial enrollment of the loan in CalCAP, and either:  
(1) has given notice to the Authority of any renewals or extensions of the loan; or  
(2) the loan was continuously renewed or extended since the date of its initial enrollment in CalCAP.

Authorized Signature \_\_\_\_\_ Date \_\_\_\_\_  
Title \_\_\_\_\_

California Pollution Control Financing Authority Use Only		
Authorized Signature	Date	Amount \$